

JENNIFER M. GRANHOLM GOVERNOR KIRK T. STEUDLE

February 4, 2009

Mr. John D. Niemela Director County Road Association of Michigan P.O. Box 12067 Lansing, Michigan 48901-2067 Mr. David Worthams Assistant Director for State Affairs Michigan Municipal League 208 North Capital Avenue, 1st Floor Lansing, Michigan 48933

Dear Mr. Niemela and Mr. Worthams:

LOCAL AGENCY PROGRAMS <u>American Recovery and Reconstruction Act (ARRA) of 2009 (Federal Stimulus Proposal)</u>

The Michigan Department of Transportation's (MDOT's) Local Agency Programs has received many questions on the guidelines/criteria for the proposed legislation. Since the information is changing continuously, we can not adequately address the questions on an individual basis. We are advising you to provide your constituency with the following Federal Highway Administration website link which includes a compilation of the frequently asked questions and answers.

http://www.fhwa.dot.gov/economicrecovery/

Local Agency Programs staff will continue to work with local agencies to review projects and package jobs for bid lettings. Each local agency should review the information contained on the provided web link and other available information on the proposed ARRA legislation. MDOT will assume that each agency that submits a project for letting has weighed the potential for ARRA funding on the project and has elected to proceed with the letting of the project.

In discussion with the Federal Highway Administration, we have been advised that all federal regulations will apply to the American Recovery and Reconstruction Act of 2009 (Federal Stimulus Proposal) funding. Based on this information, we would expect that once the project is obligated using a specific funding source, that the source of funding could not be changed in the future if other funds become available.

Please provide this information to your constituency. We look forward to working with you to deliver the projects selected for the American Recovery and Reconstruction Act of 2009 (Federal Stimulus Proposal). In the meantime, we will continue to work toward the delivery of the current fiscal year 2009 program.

Mr. John D. Niemela Mr. David Worthams Page 2 February 4, 2009

If you have any questions, or need further information, please contact Mr. Rudolph S. Cadena, Local Agency Programs Engineer, at (517) 335-2233.

Sincerely,

Mark A. Van Port Fleet, P.E.

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Engineer of Design

cc: Municipal Planning Organizations

Rural Task Forces